

HOUSE BILL No. 1152

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-13-7-2; IC 36-2-6.5.

Synopsis: County asset sale fund. Authorizes a county that sells a county asset for more than \$50,000,000 to establish a major county asset sale fund as a trust fund for the deposit of the proceeds of the sale. Provides that the principal of the fund may not be diminished. Specifies that interest earned on the fund may be used to supplement the county general fund or for projects proposed by the county executive and approved by a majority vote of the combined membership of the county fiscal body and county executive.

Effective: Upon passage.

Moseley

January 12, 2015, read first time and referred to Committee on Ways and Means.



First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1152

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-13-7-2, AS AMENDED BY P.L.1-2005,
2 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 2. (a) In a county having a consolidated city,
4 the county board of finance is composed of:
5 (1) the county treasurer;
6 (2) the county auditor;
7 (3) the county assessor;
8 (4) the mayor of the consolidated city;
9 (5) the controller of the consolidated city; and
10 (6) the president of the board of school commissioners of the
11 school city described by IC 20-25-3-1.
12 (b) The board **described in subsection (a)** has supervision of the
13 revocation of public depositories for all public funds of the following:
14 (1) The county.
15 (2) The consolidated city.



(3) The school city.

(4) Any other political subdivision in the county whose local board of finance designates the county board of finance for those purposes.

(c) In a county, other than a county described in subsection (a), that establishes a major county asset sale fund under IC 36-2-6.5-4, the county board of finance is composed of:

(1) the county treasurer;

(2) the board of county commissioners; and

(3) the president of the county council or a member of the county council designated by the president of the county council.

SECTION 2. IC 36-2-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 6.5. Major County Asset Sale Fund

Sec. 1. This chapter applies to the proceeds of the sale of any major county asset occurring after December 31, 2006.

Sec. 2. As used in this chapter, "fund" means a major county asset sale fund established under section 4 of this chapter.

Sec. 3. As used in this chapter, "major county asset" refers to any real property or enterprise owned and operated by a county that is sold for more than fifty million dollars (\$50,000,000).

Sec. 4. The county treasurer of a county that sells a major county asset shall establish a major county asset sale fund for the deposit of the proceeds of the sale. In the case of a sale occurring before January 1, 2015, the county treasurer shall deposit any unencumbered part of the proceeds of the sale in the fund.

Sec. 5. The fund is administered by the county treasurer and the county board of finance.

Sec. 6. The fund consists of the following:

(1) The proceeds of the sale of any major county asset described in section 3 of this chapter.

(2) Appropriations to the fund.

(3) Gifts, grants, loans, bond proceeds, and other money received for deposit in the fund.

(4) Interest, premiums, or other earnings on the fund.

Sec. 7. Notwithstanding IC 5-13, the county treasurer and the county board of finance shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as money is invested by the Indiana public retirement system under IC 5-10.3-5. However, the county treasurer and the



1 county board of finance may not invest the money in the fund in
 2 equity securities. The county treasurer may contract with
 3 investment management professionals, investment advisors, and
 4 legal counsel to assist in the investment of the fund and may pay
 5 the expenses incurred by the county under those contracts from the
 6 fund. Interest that accrues from these investments shall be
 7 deposited in the fund.

8 Sec. 8. The fund is considered a trust fund for purposes of
 9 IC 4-9.1-1-7. Except as provided by section 11 of this chapter,
 10 money may not be transferred, assigned, or otherwise removed
 11 from the fund by the state board of finance, the budget agency or
 12 any other state agency, or any county, municipal, or regional
 13 officer, board, district, or commission.

14 Sec. 9. The principal of the fund may not be diminished.

15 Sec. 10. Money in the fund at the end of a fiscal year does not
 16 revert to the county general fund.

17 Sec. 11. Interest earned on the fund must be appropriated by the
 18 county fiscal body to be available for expenditure under section 12
 19 of this chapter.

20 Sec. 12. Interest appropriated under section 11 of this chapter
 21 may be used for the following purposes:

22 (1) To supplement the county general fund at the discretion of
 23 the county fiscal body.

24 (2) For projects proposed by the county executive and
 25 approved by a majority vote of the combined membership of
 26 the county fiscal body and the county executive.

27 SECTION 3. An emergency is declared for this act.

